



Downtown Center Business Improvement District

BOARD OF DIRECTORS MEETING MINUTES

June 8, 2011

Board of Directors

Eric Bender, Robert Cushman, Kathy Faulk, Joseph Flueckiger, Frank Frallicciardi, Steve Hathaway, Anne Peaks, Carol E. Schatz, Patrick Spillane, Daniel B. Swartz, Cindy Troesh (via conference call), Cari Wolk

Absent

Sonny Astani, Barbara Bundy, David Damus, Robert Hanasab, Kent Handleman, Sandy Nam, Peklar Pilavjian, Colin Shepherd, Susann Ventzke, Josh Wrobel, Peter Zen

Staff

Hal Bastian, Jeff Chodorow, Gennia Cui, Randall Ely, Jacob Holloway, Connie Hwang, Aleeza Miller, Ken Nakano, Alexander Stettinski, Justin Weiss

CALL TO ORDER

Spillane called the meeting to order at 8:10 a.m. without a quorum. A quorum was reached at 8:29 a.m.

PROPERTY OWNER/PUBLIC COMMENT PERIOD ON AGENDA ITEMS

Spillane opened the meeting to the public for comments, in which there were none.

PRESIDENT'S REPORT

Schatz reported:

Alex Stettinski, DCBID Director of Marketing for the last three years, will be leaving the DCBID to become CEO of the Beverly Hills Chamber of Commerce. Schatz commended Stettinski on his excellent work for the DCBID, including the creation very successful campaigns and raising the marketing efforts of the DCBID to new level. Stettinski expressed his gratitude for working with Schatz and for his experience working for the DCBID. Schatz announced that Rachel Forman, who was the first Director of Marketing for the DCBID, will be hired on a consulting basis while the candidate search is ongoing. Highly-skilled candidates have already expressed strong interest in the position.

Schatz introduced Randall Ely, Interim Chief Operating Officer, to the Board members who were not in attendance at the Board meeting on May 4, 2011.

The DCBID Directors have been reviewing the current budget to evaluate the necessity and costs of projects and programs for 2011. The reforecast of the 2011 budget will be presented to the Board at the meeting on July 21,

2011. The Operations Department is undergoing reorganization, based on the findings. The Guide program will be reduced by two positions. During the review of the budget and programs, savings of \$260,000 was found. Ely reviewed the structure of security operations and changed the staffing and management in security, reallocated staffing of officers based on shift trends, and took attrition into account of staffing. The focus is to maintain staffing levels so coverage is not noticeably affected, with more efficient staffing. The budget is still being evaluated, and staff will continue to bring updated numbers to the Board. A request was made to ensure that not too many safety officers are removed, especially since the City is cutting back. The BID ACTION program will remain funded.

The DCBID met with Universal Protection Service (UPS) to express concerns regarding how the relationship will be going forward. There were concerns regarding how the termination of the Historic Downtown BID contract was handled, as well as other concerns. UPS and the DCBID came to a good understanding of what is necessary to move forward. UPS will make a strong effort to ensure the DCBID is fully staffed. The DCBID will also release a Request for Proposals (RFP) for security services.

A recommendation was made and approved for the Operations Committee to include the Directors of Security from the large properties in the district.

Schatz met with Captain Chamberlain regarding the increase in transients on the streets. Chamberlain is now giving Schatz daily phone calls and emails regarding the deployment of the LAPD in the district.

Union Rescue Mission will now be charging \$7 per bed. Additionally, due to the loss of federal funding, 1,300 beds will be lost as well. Schatz is working with Councilmember Jan Perry to eliminate the Jones Settlement, since according to the office of Councilmember Perry and the latest statistics from the Los Angeles Housing Department, the required number of beds has been reached.

Ely reported that the homeless count has increased by 300 over the last month.

Concerns were expressed about the mentally ill on the streets and a request was made to increase outreach staff. Peaks reported a loss of revenue due to a foreign filming company deciding to back out from the location, due to the transients in the area. Schatz asked Board members to track economic impact of transients. Schatz also asked staff to email Captain Chamberlain when they see people lying down on the sidewalks and streets between the hours of 6:00 a.m. and 9:00 p.m.

Swartz announced that there are six vacant acres next to Sci-Arc, and the State is considering using the property to building a mental health court to deal with people who are mentally incompetent. Concerns were expressed about this possibility, especially since the courthouse would be empty at night, and it would draw unwelcome people to the area, who may choose to stay in the area.

Schatz reported that the Cecil Hotel, which has 600 rooms, will sign with LACAN and the City of Los Angeles to turn 300 rooms into SROs. Currently, only 60 rooms are SROs.

Schatz announced that CCA's Elected Officials Reception will be on July 14, from 5:30-8:00 p.m. at J Restaurant & Lounge, Dog Day Afternoon will be on July 26, and the Public Safety Appreciation BBQ will be on September 30.

The Downtown Demographic Survey is complete, and is currently being edited and prepared for publication. A press conference will be scheduled for its release, hopefully by the end of June.

Outreach was made to the 75 largest property owners in the district to meet on June 17, 2011, to discuss the upcoming DCBID Renewal.

The next DCBID Renewal Committee meeting is on July 13. The next DCBID Board meeting is on July 21 (on a Thursday morning, instead of the usual Wednesday morning). The items scheduled for the Board meeting on July 21 are the budget revision for 2011, the budget for the next renewal term, and the components of the renewal. Schatz requested assistance from Board members to help do one-on-one outreach with property owners to help get the ballots mailed in. Ely explained that one senior staff member will be aligned with a Board member to do the outreach, which starts in September. The petition is due in November, the ballot is due in January, and City Council must approve the renewal of the DCBID by July 1, 2012.

APPROVAL OF MINUTES

A motion was made, seconded, and approved to accept the minutes from the Board meeting on May 4, 2011.

COMMITTEE REPORTS

MARKETING

Stettinski reported:

The Mother's Day Campaign was very successful, with over 5,700 page views on the website. Feedback was received from eight of the participating restaurants, all of which reported a substantial increase in business.

Stettinski thanked Hathaway for hosting the Annual Property Owners Meeting in May and thanked the Board members who attended.

The Summer Nights campaign has launched, with 40,000 cards printed. CBS radio has agreed to distribute 30,000 cards at three events. Nine hotels are participating in the campaign. A video will be produced to promote Summer Nights.

The eNewsletter was sent out.

The Smartphone app is in its final stages, with the app available on three platforms. Microsoft is supporting the project and is paying for its own platform. The app will be up and running by the end of June because of the Microsoft Convention in July. The DCBID is supporting the Microsoft Convention with a special deployment of Downtown Guides.

The Pasadena Star News gave the DCBID a column in Scene Magazine. The column covers topics related to Downtown to educate residents of Pasadena. The last column was about live music in Downtown. The DCBID is working with various PR firms to announce that Downtown has the biggest live music scene.

The DCBID has secured funding in the amount of \$15,000 from Keep Los Angeles Beautiful for approximately 3,000 reusable shopping bags. The bags will be distributed in places near Downtown to promote Downtown, and will feature a Downtown artist. The launch is scheduled for late summer or early fall.

The Marketing Roundtable meetings are very successful, with 50-70 businesses represented at each meeting. The meetings have grown into a visible forum for businesses in Downtown.

ECONOMIC DEVELOPMENT

Bastian reported:

Stettinski has been a great collaborator and will be missed.

One of the challenges of recruiting businesses and residents to Downtown is the negative perception of Downtown, although the perception is sometimes accurate.

Central City East Association started the Skid Row Walk, which is on the first Wednesday of the month, from 6:00-7:00 p.m., and participants meet at the Midnight Mission. Three months ago, LACAN started protests of the walk, yelling and even touching participants. Now, LAPD and the City Attorney are participating in the walk. A suggestion was made to send letters to the managing partners of law firms whose attorneys are supporting LACAN. Although First Amendment rights allow supporting LACAN, law firms should consider who their attorneys are indirectly representing by their actions. On the last walk, the LAPD recorded the activity so that the City Attorney can issue a restraining order so the group can no longer be harassed.

Weiss reported:

While recruiting in Sherman Oaks, Weiss received positive feedback about Downtown. Some Sherman Oaks business tenants actually live in Downtown, which makes them more open to opening retail there.

Michael Bay signed 10,000 square feet of creative office space at 5th and Hill Streets.

A comment was made about Magical Elves vacating their space at the Spring Arts Building. Weiss will make a call to the Spring Arts Building to determine why they are leaving.

OPERATIONS

Nakano reported:

There have been problems with personal thefts along the 7th Street corridor, although after the change in deployment, the number has decreased significantly, and both were inside of Macy's.

BID ACTION will be doing another homeless count on Monday. Two temporary members will be added to the outreach team. BID ACTION often utilizes American Recovery in Pomona. A recommendation was made to support nonprofit service providers outside of Downtown.

The DCBID worked two events in May and received no complaints. The Fiesta Broadway event had a significant drop in attendance, due to Mother's Day and the NBA playoffs games.

The DCBID is working with Microsoft to cover their convention in July.

OLD BUSINESS

A question was raised regarding encampments that lean against private property, which is considered trespassing. Schatz will raise the issue with Captain Chamberlain.

NEW BUSINESS

No new business was brought up.

ADJOURNMENT

The meeting was adjourned at 9:32 a.m.